

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: PEOPLES NATURAL GAS COMPANY, DIVISION OF UTILICORP UNITED INC.	DOCKET NO. 199 IAC 33.5 (INU-94-2)
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ORDER ACCEPTING 2001 COST ALLOCATION MANUAL

(Issued May 10, 2001)

On January 2, 2001, Peoples Natural Gas Company, Division of UtiliCorp United Inc. (Peoples), filed an updated 2001 cost allocation manual to comply with the requirements of 199 IAC 33.5(476). Peoples filed a replacement updated 2001 cost allocation manual on March 2, 2001, to reflect the elimination of Utility Energy Delivery Departments (UED) business units. Rule 199 IAC 33.5 requires that Peoples file an updated manual annually or when a new nonutility business is added, an existing nonutility business is dropped, an affiliate relationship changes, operations affecting nonutility businesses change sufficiently to warrant a new allocation method, or accounting practices change.

The updated manual is in the same format as prior manuals and addresses the information required by 199 IAC 33.5(1)"a" through "j." The manual is updated to reflect changes in UtiliCorp United Inc.'s department structure and specific cost allocation methodologies. The manual has also been updated to identify the assignment of the current cost drivers.

Interested parties have 60 days to file an objection to the manual updates. No objections have been filed. The Board finds the manual, as updated, is generally acceptable under the Board's rules and will not schedule an oral presentation pursuant to 199 IAC 33.5(2)"d."

IT IS THEREFORE ORDERED:

The cost allocation manual filed by Peoples Natural Gas Company, Division of UtiliCorp United Inc., on January 8, 2001, and revised on March 2, 2001, is accepted.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Judi K. Cooper
Acting Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 10th day of May, 2001.